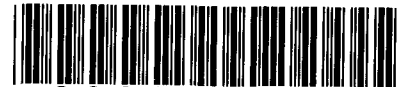


ORIGINAL

E-01575A-10-0308

S.S.V.E.C. REST Tariff



0000124331

Antonio Gill

From: Pat M.
Sent: Monday, April 04, 2011 11:38 AM
To: Pierce-Web; Kennedy-Web; Stump-Web; Newman-Web; Burns-Web
Cc: richard.rundhaug@wusd13.org; Bill Holloway; cdonahue@ncch.com; Monika Cronberg; Monika Cronberg; Robert Irvin; Sam Lindsey; Stephen Klump; Woody Johnson
Subject: SSVEC rate proposal versus ACC staff proposal

Commissioners,

I am the City Manager of Willcox AZ a small community of 3600 people in southwestern Arizona, Cochise County. I am aware that there is a proposed rate increase for Sulphur Springs Valley Electric Cooperative (SSVEC). While it is very difficult for me to handle any increases in charges for Willcox due to the continuing economic situation of the State of AZ and its impact on the income into the Operating accounts of the City of Willcox, I do understand that costs increase and in the free market economy those costs must be paid by the customers.

I also understand that in some situations such as utilities where the costs of entry into the marketplace are high there is room for single providers with appropriate regulations in place to control unreasonable pricing.

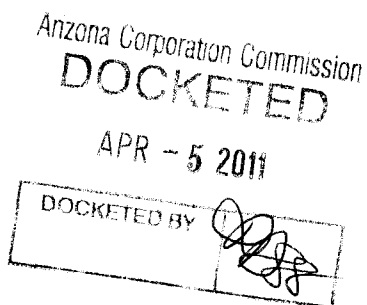
I understand the need to develop alternate energy sources and encourage their implementation (such as the SSVEC REST program).

My concern is in balancing these various concerns.

The current proposal from SSVEC to the Corporation Commission is to increase the kWh from \$0.007937 per kWh to \$0.00988 per kWh and maintain the maximum of the surcharge by rate class. While I can't say I like this proposal, I can say I understand it and accept the need for it.

The ACC staff feels that it is necessary to have the kWh increase, but also to raise the cap by rate class 62%. The effect of this on the City of Willcox is an increase in our electrical bill of over \$12,000/yr. I know that you work with much larger numbers and that \$12,000/yr to you it may sound like I am being a cry baby; to me who has undergone 4 years of reductions in income and spending in the City, facing another round of reductions in shared income from the State, this is huge. While I am speaking as the City Manager, I know this also affects other governmental entities the same or worse, such as the Willcox Unified School District. I understand that the ACC staff feels that their proposal will help relieve the backlog of individuals waiting for the refund – and it will. It will potentially speed up the refund by four (4) months; speaking as one consumer who has used the refund, it makes no difference. I invested because of the long term impacts not because of the short term rebate (the rebate is icing on the cake), the timing of my decision was not influenced by having to wait to receive the rebate. Furthermore four months is not a significant time to wait regardless.

Please consider the impacts that this decision will have on the City of Willcox and other entities, we have little to no ability to adjust our revenue, our expense keep climbing, the demand for service has not decrease, often it is increasing. I understand SSVEC costs are also increasing, but I do not see the need for this additional increase recommended by the ACC staff.



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Antonio Gill

From: Lynn Harris [lmharris.l@att.net]
Sent: Monday, April 04, 2011 11:43 AM
To: Pierce-Web; Kennedy-Web; Stump-Web; Newman-Web; Burns-Web
Subject: Commentary regarding Docket E-01575A-10-0308

Dear Commissioners:

My wife and I are SSVEC customers. We are both residential and irrigation users who will be adversely affected by the staff recommendations for REST Surcharges. The SSVEC proposal is a reasonable approach that achieves the stated goal. The impact of the staff proposal to achieve a 4 month acceleration is unfair and unwarranted. It will adversely affect our sustainable agriculture business.

Thank you,
Michael Harris

Antonio Gill

From: Nelson Daley [nelsondaley@gmail.com]
Sent: Monday, April 04, 2011 4:36 PM
To: Pierce-Web
Subject: keep the REST Surcharge CAPs in Docket No. E-01575A-10-0308 at the current level as proposed by SSVEC

Keep the REST Surcharge CAPs in Docket No. E-01575A-10-0308 at the current level as proposed by SSVEC

The economy is already tough enough on small business. Please don't hit us any harder.

**Nelson Daley
V.P. of Operations
R&R Pizza Express**